

St. Louis Community[®]

Credit Union



YOU BELONG



Can I Make a Difference?

Ongoing social and political upheaval has compelled our society to grapple with weighty questions of equity, equality and justice on a wide set of issues that range from voter access to financial opportunity. As a result, many people and organizations have paused to ask themselves, “Where do I fit in to this equation, and can I make a difference?”

For our part, St. Louis Community Credit Union’s Board of Directors and staff remain committed to building an inclusive financial system through our expansive branch network and digital systems, by offering a wide range of affordable financial products and services to meet people where they are in their journey, and supporting partners and causes that make our region stronger. In short, we are committed to *action* for the betterment of all.

Throughout 2022, our Business Services division hit its stride by booking \$18 million in loans that helped nonprofits, places of worship and businesses purchase equipment, manage ongoing cash needs, acquire commercial real estate and create new jobs. This new line of business, along with our existing consumer lending portfolio, pushed the credit union’s outstanding total loans past \$200 million – a significant milestone in our history.

To keep pace with significant loan growth, strategic partnerships with anchor organizations like BJC Healthcare were launched to bolster our deposit reserves. BJC and peer anchor institutions have committed their organizations to building a more inclusive and prosperous region by directing their financial, employment and thought leadership resources to community-owned and trusted entities like St. Louis Community Credit Union. By leveraging one another’s strengths, a more equitable future for all is being built.

In that same spirit, dismantling the barriers that separate St. Louisans between North and South, Black and White, rich and poor and so forth is a key institutional priority. As a part of our commitment to bridging these historic divides, we opened our 16th full-service branch in late 2022 at the Delmar DivINe campus to fill a banking gap within the City and integrate our offerings into the fabric of a vibrant collaboration that houses both families and nonprofits, as well as serves the surrounding community.

Do you fit in, and can you make a difference in the movement to build a more inclusive economy? St. Louis Community Credit Union is committed to do just that, and you can join the effort.

With every deposit account opened and loan processed, opportunity awaits our membership and those seeking a place to belong. The following pages share the culmination of our efforts in 2022. While much work remains, we are thankful to have you and our many other partners join us in this journey for the betterment of all.



A Holistic Approach

PATHWAYS TO FINANCIAL WELLNESS

The pathway to achieving financial health and fulfillment is different for each person and family. Personal values and preferences dictate how we interact with money, seize on opportunities to build financial stability and more. One constant, though, is our universal need for access to tools and resources that help to inform and facilitate our financial lives.

Pathways to Financial Wellness is SLCCU's new, more comprehensive approach to providing members, staff and individuals affiliated with key community and employment partners financial coaching and educational resources, as well as external supports needed to achieve personal financial goals. Simply put, when we have knowledge and confidence in managing our money, we are able to focus on being our best selves.

Program planning began in late 2022, with an anticipated soft launch in early 2023. Pathways to Financial Wellness will feature financial coaching and classes led by trained staff and volunteers, referrals to financial products and community partners and more. By combining internal and external resources under one initiative, SLCCU will provide a more comprehensive and impactful approach to financial health than ever before.

For more information, contact Tim Clavin, Director of Pathways and Financial Wellness, at timothy.clavin@stlouiscommunity.com.



INVESTING IN THE COMMUNITY

How can a financial institution serve the community if it doesn't have a physical presence in and throughout community? The answer is not very well or at all.

The cornerstone of SLCCU's service to the region has been our commitment to both hiring from the communities in which our branches operate, as well as locating our facilities in areas lacking access to financial services. By investing in areas overlooked by most banking institutions, we have built decades of trust with our members by providing them with accessible locations near home and work, as well as a place where they can manage their finances with people they know and who make them feel like they belong.

In late 2022, SLCCU opened our 16th full-service branch on the campus of Delmar DiviNe. The brainchild of local corporate leader and philanthropist, Maxine Clark, Delmar DiviNe is a reimagined version of the old St. Luke's Hospital, which sat vacant for decades. Delmar DiviNe is host to affordable apartments, nonprofit office space and meeting rooms for the community. More than that, the facility rests on the notorious Delmar Divide – an east/west line that metaphorically divides North City from South City, Black from White, poor from rich. Our commitment to overcoming these barriers continues, quite literally through our new presence on Delmar DiviNe's campus.



Impact

As a Community Development Financial Institution (CDFI) and a Minority Depository Institution (MDI), SLCCU issued more than \$100 million in consumer and small business loans in 2022. Here are some highlights:



PERSONAL & EMERGENCY LOANS

When life happens, we're ready to help with a variety of loans to help borrowers avoid predatory payday lenders, cover unexpected home and auto expenses and have peace of mind. In 2022, SLCCU originated more than \$12 million of personal and emergency loans.



BUSINESS SERVICES

Small businesses create jobs, drive regional economic vitality and build generational wealth for families. SLCCU's newly formed Business Services division celebrated its first year of operation in 2022. In total (\$18.6 million originated), 26 businesses (96% owned by people of color) accessed critically needed capital to grow and thrive.



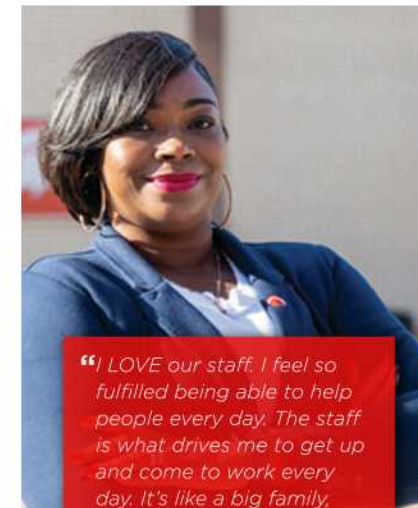
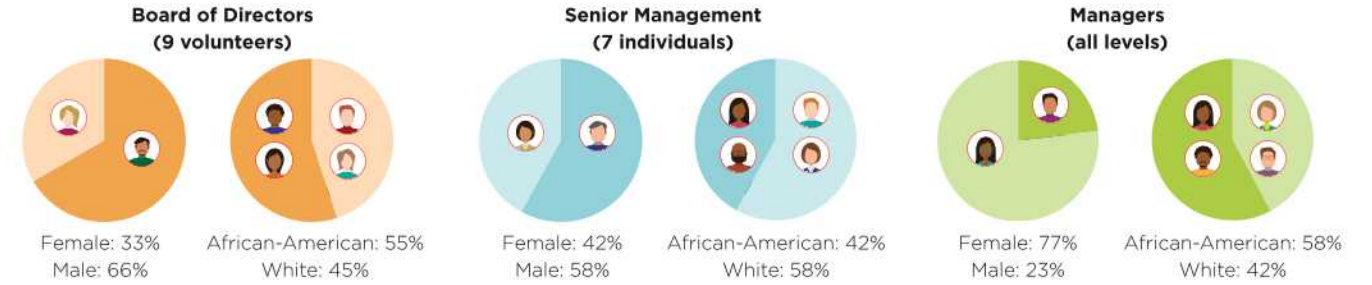
AUTO LOANS

St. Louis Community Credit Union's auto lending program provides critical access to transportation, offering members affordable loans for new and reliable used automobiles. In 2022, SLCCU originated \$74 million in auto loans.

Faces of SLCCU

SLCCU staff and the Board of Directors work together to serve our community with the empathy and kindness that all people deserve.

WHO WE ARE



"I LOVE our staff. I feel so fulfilled being able to help people every day. The staff is what drives me to get up and come to work every day. It's like a big family, and I just love it."

- Lisa Glenn
Human Resources
Assistant Vice President
Staff Member Since 2014



"We don't run away from problems. So, whenever members are having a problem, we stick with them."

- Alma Cavcic
Southtown Branch Manager
Staff Member Since 2008



"For us personally who do the work here, it means a lot. The idea of aligning personal values that prioritize the inclusion of everyone throughout the community in the financial system with our mission is special."

- Kirk D. Mills, CFA
President & CEO
Staff Member Since 2004

Building Generational Wealth

What began in 2009 as a hobby of making barbecue sauce for friends and family has turned into a growing business for husband-and-wife team Freddie Lee and Deborah J. And it's created a beloved product available throughout the St. Louis region and beyond. "We started doing farmers markets and other events. I wasn't trying to go into business," says Freddie Lee, a business borrower at SLCCU. "We prayed on it ... and the doors just started opening. It's unbelievable. You have to love what you do or don't do it. I love making sauce ... always have. And now we are making sauce for other people."



Originally, the couple was working with other lenders, but became discouraged at the high interest they had to pay – despite a successful business and good credit profiles – and considered throwing in the (sauce-stained) towel. They sought advice from Kevin Wilson at the Small Business Empowerment Center, who introduced Freddie Lee and Deborah to Alex Fennoy, SLCCU's SVP of Business Services, who also happened to be a patron of the couple's sauce. The rest is history. "Alex looked beyond ... and saw the potential," shares Deborah. "That's how the relationship started. I am so glad SLCCU stepped in and made this deal with us."

That relationship has turned into financing for a 6,700-square-ft. building that will provide room for a mini mart, kitchen and office space to lease – an upgrade from the company's current space of 2,700 square feet. "The new building we have will allow us to grow, to hire more people and it will allow us to help our clients more," says Deborah who, along with Freddie Lee, believes their relationship with SLCCU ensures the company's success. "We are able to take care of business like we're supposed to. We're able to see our goals being fulfilled with this building. We're able to breathe a little easier and not have those high-interest loans hanging over our heads. We were able to believe in the banking system again."

Community Impact Deposit Program

Financial institutions depend upon the savings of their accountholders to lend and sustain their operations. Thus, an institution's ability to grow relies on the economic wellbeing of its average depositor. At SLCCU, the average member has 33% or less the savings of members at our peer institutions, which are predominantly comprised of White households. This disparity in personal savings means that, despite SLCCU's relatively large membership base, the credit union is hundreds of millions of dollars smaller in total assets than its peers.

In short, this is the manifestation of the racial wealth divide.

To eliminate this wealth disparity, SLCCU launched the Community Impact Deposit (CID) Program to attract private individuals as well as establish strategic deposit relationships with regional anchor institutions capable of moving significant resources to the credit union. These deposits are critical fuel needed by the credit union to capitalize both consumer and business loans at scale.

BJC Healthcare stepped up to establish a significant CID as a part of their regional Community Health Improvement Initiative. Their deposit coincided with the launch of SLCCU's new Business Services division and helped to capitalize a significant portion of the \$18 million in small business loans issued in 2022. Additionally, BJC has been a critical advocate and champion of our work with peer anchor institutions, who have begun to also move significant deposits to the credit union.

Eliminating the racial wealth divide will require more than this burgeoning effort. However, through partnership and common cause, we are several steps closer to realizing this cooperative goal.



Malcolm N.'s loan for his trucking company, Dynamic Logistics, was capitalized through the Community Impact Deposit program.

A Place Where You Belong

Despite the many challenges that we read and hear about in the news, for the first time in years there is growing optimism for our region. Significant funding from the federal government is being deployed to rebuild crumbling infrastructure, strengthen the social safety net and ready the workforce to meet new demands of the economy and ensure a living wage. Private and philanthropic dollars in the form of low-cost investment and grants are flowing to build affordable housing units, increase the capacity of minority-owned businesses and provide struggling families with access to resources that will help them to stabilize their finances.

For the first time in a long time, there is alignment amongst diverse sectors that is driving positive solutions to benefit all people.

We feel that sense of optimism at St. Louis Community Credit Union and are eager to expand our role in building an equitable and inclusive region for all. In Q4 of 2021, our institution took a leap of faith by investing in talent and resources to launch a new Business Services division aimed at connecting affordable capital with entrepreneurs who might not otherwise have access to traditional credit sources. The results have been nothing short of extraordinary.

Nearly \$20 million in loans were issued to churches, daycare facilities, trucking companies, light manufacturing and more in 2022. The overwhelming majority of these loans have

benefited minority-owned businesses that are creating jobs, meeting community needs and building generational wealth for families that have historically faced significant barriers to economic mobility. Additionally, our consumer loan business grew by \$28.5 million (\$92.5 million total) year-over-year. These dollars helped families weather financial emergencies, gain access to personal transportation and purchase homes.

Where there is need, our caring and talented staff finds opportunities to serve. Twenty-twenty-two was a watershed year for us in many ways, not the least of which was the resumption of a semi-normal work/life schedule in the aftermath of the COVID-19 pandemic. The preceding years, while difficult, afforded our team the chance to take stock of who we are, reshape our approach to this important work and deliver upon the mission and vision of the institution with renewed enthusiasm.

We are thankful to you, our members and numerous partners, for your continued trust. Each day we strive to serve you for the betterment of our community and the wellbeing of the people who make St. Louis a unique and wonderful place to live. Most importantly, we will continue our work in creating places and spaces where everyone belongs.

Sincerely,

Kirk D. Mills, CFA
President & CEO





St. Louis Community[®]

Credit Union

Welcome to the community.[®]

Mission Statement

Through caring service and education, we provide the residents of the St. Louis region with safe, affordable and accessible financial services and products.

Federally insured by NCUA.



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stlouiscommunity.com

